

# HEDGE ACCOUNTING



You don't have to be a compliance expert to account for your hedges, you just need a software solution built by the best experts in the business.

In hedge accounting, expertise really does matter.

GTreasury's market-leading Hedge Accounting solution was built by the best financial engineers in the business. For you, that means mark-to-market and effectiveness testing based on sound methodologies, measurement calculations built on sophisticated algorithms, and curves engineered with precision.

## Hedge Accounting made simple

With GTreasury's Hedge Accounting solution, all of the most complex analytics and calculations are running in the background, making it easy for you to qualify hedges and stay compliant. And because all solutions from the GTreasury platform are integrated, accurate data generated from the Hedge Accounting solution is available system-wide and used in updating the hedge accounting and risk management dashboards.

GTreasury's Hedge Accounting solution helps users manage earnings volatility with an end-to-end workflow for a wide range of exposures. It supports international (IAS 39, IFRS 9) and U.S. (ASC 815 ASU) hedge accounting standards, followed closely by GTreasury experts who actively study updates to global and regional accounting standards and consult with public accountants, so you don't have to.

With GTreasury's Hedge Accounting solution, users can:

## HIGHLIGHTS

- IFRS/FASB compliance
- Designation and documentation
- Assessment and measurement
- Reporting and accounting

- Designate and document cashflow, fair value, and net investment hedge relationships for Interest Rate, Foreign Currency, Inflation, and Commodity risks
- Assess and measure hedge effectiveness and configure and generate hedge accounting entries
- Generate hedge documentation and report measurement at the summary and detail level
- View condensed hedge relationship information in a user-friendly dashboard
- Perform constant or declining maturity regression analysis to assess effectiveness of hedge relationships
- Customize frequency and number of data points used in regression analysis



## Reporting

A range of hedge accounting processes, dashboards and reports are available in the solution. Among them are:

- **Hedge Processing:** Enables new hedge relationships to be created and hedge effectiveness to be processed up to a specified date. Processing may be rolled back and reprocessed.
- **Hedge Effectiveness dashboard:** Provides a visual and grid representation of hedge performance, including regression scatter plot, market data and changes, and accounting history.
- **Hedge Relationships report:** provides a listing of all hedge relationships and key information about them.
- **Hedge Allocation report:** Show the percent allocation of all derivatives to hedge relationships, as well as the hedge item allocated to in the designation.
- **Hedge Inception report:** Provides hedge designation inception documentation including descriptions of the hedging and hedged instrument(s), inception valuations and

key hedge designation information.

- **Hedge End of Period report:** Provides the same information as hedge inception report plus end of period valuation and accounting results, periodic assessment test results and values and cumulative life to date measurement results.
- **End of Period Summary report:** Provides as of a given date cumulative measurement results for balance sheet, P&L and Other Comprehensive Income (OCI) across all hedge relationships.
- **Hedge Termination report:** Provides summary information across all terminated hedges up to a given date.
- **Reclassification report:** Shows the cumulative re-classification from OCI to P&L for all hedge relationships up to a given date.

Using GTreasury's Hedge Accounting solution, your organization will streamline compliance, producing the timely and accurate results required by regulators and auditors.

### ABOUT GTREASURY

GTreasury's integrated TMS not only keeps pace with today's rapidly evolving enterprises, it surfaces the critical relationships between cash management and risk management. In this way, your treasury information becomes an invaluable driver of strategic business decisions.

For more information visit [gtreasury.com](https://gtreasury.com)



**GTREASURY**

the clarity to act